



WORLD BANK NEWS

Volume XIV, No. 1

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LENDING

Bank Approves \$500 Million for Ukraine's Reforms

Since electing Leonid Kuchma as its president in July 1994, Ukraine has undergone major economic reforms. Many price controls have been lifted, the exchange rate is now unified, there have been reductions in subsidies and most export quotas are now eliminated.

Still, Europe's second largest nation (excluding the European part of Russia) con-

tinues to struggle with economic conditions that have steadily worsened since its independence from the Soviet Union in August 1992. Prices continue to rise, the external debt has increased significantly and output has dropped.

A \$500 million World Bank loan approved December 22, 1994, will help sta-

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PUBLICATIONS

Atlas Pegs World's Poorest Countries

Eight African countries and three in Asia are among the poorest in the world in terms of gross national product (GNP) per capita, according to the *World Bank Atlas* published this week.

Mozambique is the poorest of the poor with a GNP per capita income of \$80 in 1993, despite an increase of \$10 or nearly 15 percent over 1992. Other poor nations are Ethiopia (\$100), Tanzania (mainland only, \$100), Sierra Leone (\$140), Nepal (\$160), Bhutan and Viet Nam (\$170 each), Burundi (\$180), Uganda (\$190), and Chad and Rwanda (\$200 each).

The findings are among the masses of data on 209 economies published in the *World Bank Atlas*, an annual treasure trove of information that has become an international standard in statistical compilations. Information comes from World Bank data files and from data directly collected from national statistical offices and from other international agencies, such as the United Nations.

The *Atlas* provides key social, economic and environmental data in three languages—English, French and Spanish.

See ATLAS, page 3

AP Wide World Photos



Black markets—bleak markets.

More traffic is leading to more traffic deaths in Chile. A new project aims to make roads safer in the Andean country.

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IDA moves to help Haiti's emergency economic recovery plan with a \$40 million credit.

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The World Bank's new director of Agriculture and Natural Resources on preventing the looming global food crisis.

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Expanded lending roundup,
pages 5-6

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Development agenda, page 5

**READEX
FICHE**

In Chile, There's Roadwork Ahead

Chile's recent economic progress has come with an unwelcome consequence: increased road traffic and already poor roads combining to make traffic accidents the country's third leading cause of death. One person is killed on Chilean roads every five hours, and the national police estimate that in 1992 the cost of road accidents amounted to \$150 million.

Because of the political instability of the 1970s, Chile's infrastructure deteriorated dramatically—especially the roads, but also the ports, railways, water supply and irrigation. There were improvements in the mid-1980s, but with a rapidly growing economy, Chile realized it had to invest far more in its basic infrastructure.

Now roads in the Andean country will be improved and made safer over the next four years with help from a World Bank loan of \$120 million. The project, approved December 22 by the Bank's board, will also accelerate the country's moves toward privatizing the road sector.

The project will build bypasses, pedestrian overpasses, bikelanes, sidewalks and barriers, according to Maria Lucy Giraldo, the project's task manager and a member of the Bank's Latin American Region. "There will also be training for people at the Ministry of Public Works and the national police on road safety," she said. "For example, there will be training on how to improve their advertising campaigns so as to reach more of the public."

Chile is already well advanced in privatizing its road sector, and this project will further that process. The government has introduced the use of "global" maintenance contracts. This innovative approach means that projects are contracted out to private companies under area-wide contracts. A series of works are consolidated under a single contract that previously would have required a number of smaller contracts, so money is saved on management and supervision. "That was started in 1992," Giraldo said. "They studied how it was done in British

Columbia, Canada, and then created their own version."

The Bank will help finance the preparation of pre-engineering and feasibility studies of projects to be privatized, and help the government improve its contracting system. A part of the loan will also help the government assess what

impact the project will have on the environment.

The total cost of the project, which is called the Third Road Sector Project, is estimated at more than \$2 billion. With this \$120 million loan, the Bank will have lent a total of \$660 million to Chile since 1961 for road improvements. □

IDA Backs Haitian Recovery Plan

The International Development Association (IDA) is backing Haiti's emergency economic recovery program with a \$40 million credit approved December 20. The program includes balance of payment and budgetary support, civil works and specialized advice to restore basic government functions and employment, and the economic and social infrastructure of the Western Hemisphere's poorest country.

The design of the program reflects the country's severe emergency. Over the last three years, Haiti's economic performance and social indicators have worsened dramatically. People have suffered a continuing decline in the standard of living, with real per-capita income currently estimated well below \$250 a year.

IDA is the first multilateral financial institution to resume lending to Haiti a day after the Caribbean coun-

try repaid its arrears to these institutions with help from a group of donor countries. The clearance of arrears will also allow IDA to reactivate its ongoing project portfolio of about \$104 million. □



Helping Haiti's poor.

C. Sirovica/AP Wide World Photo

Ukraine Moving Forward on Budget, Market Reforms

UKRAINE, from page 1

bilize and restore growth to the Ukrainian economy. The loan will back Ukraine's privatization and land reform efforts, and improve the functioning of the exchange market. A key aspect of the loan is to ensure that reform measures, once launched, cannot be easily reversed.

The full loan amount will be used to support the state budget and improve private sector access to foreign exchange imports.

The government economic reform program is based on four principles:

- creating a stable macroeconomic environment that allows producers and consumers to make sound business decisions without excessive uncertainties about policies and prospects. Economic stabilization will rest on tight fiscal and monetary policies supported by wage restraint;

- allowing market competition under a variety of policies, including liberalizing domestic prices, dismantling the state order system and demonopolizing industries. This will serve as well to weaken black market activities by relieving the private sector of burdensome controls;

- tightening financial discipline for enterprises so they can respond to new market forces. This shift in enterprise behavior will come through privatization, the enforcement of bankruptcy laws and management overhauls; and

- strengthening—primarily through better targeting—the social safety net to protect those made most vulnerable by the country's economic transformation.

Ukraine's per capita income was estimated at \$1,910 in 1993, placing it among the lower middle-income nations. Its population of 52 million is the fifth ranking in Europe. The workforce is highly educated, and the country is graced with good agricultural lands and bountiful natural resources, though it must import more than 50 percent of its energy needs.

For 70 years under Soviet control, the economy of Ukraine was shaped by the

centrally planned allocation of resources, with attendant administrative controls over prices and high investment ratios. In 1991, industry accounted for 46 percent of the country's gross domestic product. Agriculture constituted 26 percent of GDP, reflecting Ukraine's role as the "bread basket" of the Soviet Union.

Economic conditions, already difficult at independence, have since worsened dramatically. There has been a large drop in officially recorded output, prices continue to rise and external debt (including arrears) has mounted significantly.

Ukraine joined the World Bank in Sep-

tember 1992, and the \$500 million loan is the second Bank loan approved for the country. The first, for \$27 million, came in June 1993 to strengthen government institutions in support of economic reforms. Several such operations have been approved by the Bank in recent times to formerly communist countries such as Belarus, the Kyrgyz Republic and the Russian Federation to support the initial phases of transition by these countries to market-oriented economies. The loan to Ukraine is extended on standard World Bank terms with a maturity of 17 years, including five years' grace. □

Atlas Portrays a World of Data

ATLAS, from page 1

The latest edition provides for the first time per capita GNP estimates which are converted at national currency's purchasing power parity (PPP) and measure a person's purchasing power in his own country. The higher the prices of goods and services in an economy, the less money can buy and the lower the real per capita income. Conversely, the lower the prices, the further your money will go and the higher a person's income in comparison with other countries. According to these estimates, a number of African and Asian countries still have low GNPs per capita (below \$1,000).

Other low-income African countries include Burkina Faso (\$300), the Central African Republic (\$390), Equatorial Guinea (\$360), The Gambia (\$360), Guinea-Bissau (\$220), Kenya (\$270), Madagascar (\$240), Malawi (\$220), Niger (\$270), Nigeria (\$310), Sao Tome and Principe (\$330), Togo (\$330) and Zambia (\$370). In Asia, the poorest countries include Bangladesh (\$220), India (\$290) and Lao PDR (\$290). Nicaragua in Latin America has a GNP per capita of \$360, and although there is no precise per capita figure for Haiti, the Bank's Latin America and Caribbean Region estimates it at below \$250, the lowest of any coun-

try in the Western Hemisphere.

Comparatively, the richest nation in the world in terms of per capita is Switzerland with \$36,410. Luxembourg is next, followed in order by Japan, Denmark, Norway, Sweden, the United States, Iceland, Germany, and Kuwait.

Worldwide, more than 1 billion people still live in poverty, according to the Atlas, and suffer grossly inadequate access to resources such as education, health services, infrastructure, land, and credit.

Among the statistics also provided is life expectancy at birth. Guinea-Bissau has the lowest: 39 years. In contrast, Japan has the highest: 79.

Infant mortality rate per 1,000 live births is highest in the world's poorest countries. Afghanistan and Mozambique have the highest: 162. Japan, Singapore, Ireland and Sweden have the lowest: 5.

During 1985-93, prices rose the most in Nicaragua, which had an average annual inflation rate of 1,836.2 percent. Comparatively, India, one of the largest developing country economies, had a rate of 9.7 percent.

The 36-page Atlas is priced at \$7.95. Journalists may receive complimentary copies for review by writing on company letterhead to the World Bank, Office of the Publisher, Marketing Unit, Room T-8054, Washington, D.C. 20433, fax (202) 676-0579. □

Averting the Food Crisis

The Bank's New Head of Agriculture on Feeding the Future

International agricultural experts are gathering this week in Washington for the World Bank's 15th Annual Agricultural Symposium. The topic of this year's two-day conference: Agriculture and Poverty Reduction. Participants will hear from the Bank's new director of Agriculture and Natural Resources, Alex McCalla, former dean of agricultural and environmental sciences at the University of California at Davis. World Bank News talked to McCalla about the widening gap between world food supply and demand and the Bank's role in closing it.

WBN: There seems to be significant consensus about the growth trends of population and food demand. Urban population alone is expected to reach four billion by 2025. But there's disagreement about whether food supplies will be able to meet the new demand. In your view, are we facing a global food crisis?

MCCALLA: If we do not continue to invest, and invest more, in improving our capacity to produce more food, we're inevitably going to have a crisis. We doubled cereal production over the last 40 years through a combination of increasing agricultural land area, increasing agricultural intensity through irrigation and through biological yield increases. Thirty years from now there will be three billion more people in the world to feed, and we'll have to double food production again. This time the available land area is less and the financial and environmental costs of major irrigation projects are making them more and more difficult to implement. The increase has got to come from increased yield per unit of land. And that doesn't come easily.

WBN: Is it simply a question of adequate funding for agricultural research?

MCCALLA: Funding is essential, yes. But I think more importantly it's an issue of commitment, by governments, by international institutions such as the Bank, to the objective of continuing to improve our capacity to produce in an environ-



Are farmers keeping up?

mentally sustainable way. The extremely difficult task is to be able, for example, to double the yield of rice and not downgrade the environment in which it's being produced. Ultimately, I think every country in the world is responsible for its own food security. We've got to build and maintain the capacity of nations to contribute to productivity improvement in agriculture. And those national research programs can be supported, by being interlinked with international agricultural research mechanisms, of which the most important and most successful has been the CGIAR, the Consultative Group on International Agricultural Research.

WBN: The CGIAR has experienced funding shortfalls in recent years. Is it now on a secure footing to meet the growing needs of agricultural research?

MCCALLA: There was a significant decline in both nominal and real support for the CGIAR that began in 1992 and reached a crisis level in 1994. Thanks to a major effort, led by the World Bank and Ismail Serageldin who is chairman of the

CGIAR as well as the Bank's Vice President of Environmentally Sustainable Development, funding for 1994 and 1995 has been largely restored. But the issue still remains in the longer term: will there be sustained support for an organization like the CGIAR? The whole public appetite for sustaining international aid is diminished, and the support of the CGIAR comes from aid dollars. There's still a challenge out there for 1996 and 1997 and beyond.

WBN: What will the World Bank be doing to help ensure we have enough food in the coming decades?

MCCALLA: The Bank has to articulate a long-term position that recognizes the continuing challenge of increasing agricultural productivity in a way that is going to help alleviate poverty and that is environmentally sustainable. And we have to follow that up with support for activities that are going to contribute to long-term food security for the poorest of the poor. We can help in many ways. We can help in rehabilitating irrigation projects to make them more efficient; we can contribute to strengthening national agriculture research systems; we can contribute to investing in rural infrastructure; we can improve knowledge systems, education, health. There are many dimensions to the issue that I think the Bank is probably uniquely placed to address in the sense that we are able to learn from wide experience in many countries. We should be learning from what we've done and be able to do it better next time. And in that sense I think we have a role as a leader that far exceeds our contribution in terms of development lending.

To receive a copy of McCalla's recent address to the CGIAR, Agriculture and Food Needs to 2025: Why We Should be Concerned, please call (202) 473-8930. □

WEEKLY LENDING ROUNDUP

- BURUNDI** The violence that plagued Burundi throughout 1994 left this African nation's economy in a state of crisis and its infrastructure in shambles. The cost of living increased even as the government's revenues fell by 35 percent, while in urban areas private investment came to a standstill. A \$14.6 million IDA credit approved by the Bank December 15 will provide emergency assistance to Burundi primarily to finance imports to support the agricultural, health and education sectors. The credit will help the government restore basic conditions for economic and social recovery, and will serve as a catalyst to mobilize emergency assistance from other donors.
- COLOMBIA** Though Colombia has abundant energy resources and oil reserves of some 3.2 million barrels, its energy sector faces serious problems. Until recently, its electricity subsector was in dire straits, coal production suffered from fund shortages and natural gas was supplied only to few potential users. An \$11 million Bank loan approved December 15 for technical assistance in the energy sector will help develop and apply regulatory reforms to increase the performance of the gas and power subsectors. The loan will also seek to attract private investment in the sector. This is in line with the Bank's Country Assistance Strategy for Colombia, which seeks to help government structural reforms and private sector work.
- EGYPT** Agriculture employs 35 percent of the labor force in Egypt and accounts for 20 percent of the country's merchandise exports, yet only 3 percent of the land is arable, and that small, intensively cultivated area is primarily in the Delta. An irrigation improvement project funded by a \$26.7 million loan and a \$53.3 million IDA credit approved December 22 by the Bank will enhance three irrigation command areas by improving main and secondary canals and setting up mixing stations to reuse drainage effluent. The project will also benefit more than 95,000 farm families and greatly increase rice and wheat production.
- GUYANA** Beginning in 1988, Guyana adopted far-reaching measures to shift towards a market-oriented economy, and though growth resumed in 1991, significant weaknesses still hamper private sector investment. A \$3.5 million IDA credit approved by the Bank's Board December 15, seeks to ensure that the reform measures are carried out. The credit will support institution-building and help develop a framework for an environment conducive to private investment.

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DEVELOPMENT AGENDA

Date	Event	Sponsor	Location	Telephone
JANUARY				
6	Conference: Leading Issues in Emerging Capital Markets	World Bank	Washington	(202) 473-6728*
16-18	International Development Conference	International Development Conference/Society for International Development	Washington	(703) 642-3628*
16-20	Colloquium: The African University in the 1990s and Beyond	Association of African Universities/Donors to African Education	Lesotho	(33-1) 4503-3796
26-27	Conference: The Uruguay Round and the Developing Economies	World Bank	Washington	(202) 473-1784*

Editor's Note: *Development Agenda* is a feature that alerts journalists to key news events in the field of economic development. Journalists should contact sponsoring agencies for details about each event. Asterisk (*) indicates telephone number is in the U.S.A. All other telephone numbers include country and city codes.

INDONESIA A \$69 million Bank loan to Indonesia will help this Asian nation develop professional, managerial and technical manpower needs in order to spur further economic development and growth. The loan was approved December 14. Most employees in the Indonesian public and private sectors do not have the opportunity for graduate education even though graduate programs have been expanded and improved. The Second Professional Human Resource Development Project will upgrade the quality of professional, managerial, and science and technology staff in key government ministries and agencies and, on a lesser scale, in the private sector.

KENYA Between 1963 and 1993, Kenya's population increased from 8 million to 24 million. The Kenyan civil service also grew to more than a quarter-million employees, excluding teachers. A \$21.35 million IDA credit will support the first phase of Kenya's civil service reform program. The credit will help Kenya rationalize civil service staffing, review pay and benefits, and develop an overall human resource strategy.

KOREA As Korea's growth and living standards have improved, so have concomitant problems associated with waste disposal. Wastewater is projected to almost double in the decade, and the resulting deterioration to the environment is of great concern to the government. A \$75 million Bank loan will support efforts to address environmental, institutional and technological concerns regarding wastewater and waste disposal in Pusan city and Chunbuk province. The Pusan component of the project will expand the Janglin waste treatment plant to increase its capacity, while in Kunsan, a new incineration unit will be built to serve the Chunbuk province. The loan was approved by the Board of Directors on December 20.

A second loan to Korea was also approved on the same date for an urban transport management project. The \$100 million loan will respond to increases in traffic congestion in Pusan, the nation's second largest city. The project includes a system for managing traffic congestion, including parking management and special bus lanes, and expanding the capacity of the Pusan urban transit system.

LEBANON In spite of war, the health status of the Lebanese population remains one of the highest in the region. However, large variations exist among population groups and between geographical areas. A \$37.5 million Bank loan to the Lebanese Republic has as its objective to improve the country's health conditions through better allocation and use of resources. The loan was approved December 20. The project will follow a two-pronged approach: restoring essential administrative and managerial functions to the Ministry of Health and improving health care financing, and improving health care delivery by rehabilitating 10 health care centers and setting up a pilot program with NGOs for another 20 such centers. Six hospitals will also benefit by getting equipment, furniture, vehicles and technical assistance.

PERU During the past 30 years, Peru's increasing educational demands have been accompanied by declining financial resources and mismanagement of the education sector. A \$146.4 million loan approved by the Bank December 15 will improve the quality of primary education and strengthen management capacity of the Ministry of Education at the central, regional and school level. The project will better teaching conditions by distributing teaching material, training teachers and rehabilitating dilapidated classrooms.

WORLD BANK NEWS

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The World Bank Group is the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the International Finance Corporation (IFC), and the Multilateral Investment Guarantee Agency (MIGA). IBRD is the main lending arm of the World Bank. IDA is the World Bank affiliate that lends on concessional terms to the poorest countries. IFC finances private sector projects and advises businesses and governments on investment issues. MIGA promotes foreign direct investment through guarantees, policy advice, and promotional services.



WORLD BANK NEWS

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PUBLICATIONS

Including the Indigenous Launching a Decade to Help Native People

This month marks the beginning of the International Decade of the World's Indigenous People, a time to highlight the special needs of native cultures and their great importance to peace, human rights and sustainable economic and social development. The World Bank, as part of a U.N. inter-agency group planning the decade, will focus particularly on indigenous people and development. In workshops, publications and other events, as well as in its projects, lending and advice, the Bank will work to improve the lives of indigenous and tribal groups that too often are the poorest, most destitute people in their regions.

"We see the decade as an opportunity for a lot of learning to take place," says Shelton Davis, senior sociologist in the Bank's Environment Department. "How do we include people who have been structurally excluded from development,



Tapping native intelligence.

but in a way that takes into account their own cultural values and traditions?"

More than 300 million indigenous and

tribal people live in more than 70 countries stretching across climate zones from the remote Arctic to the rainforests of Asia and South America. They share a common dependence on specific lands and territories for their economic livelihoods, social well-being and cultural survival. Historically, indigenous lands have been coveted by outsiders, and indigenous labor has been mobilized for indentured or low-paid work in mines and on cattle ranches and plantations, a pattern that has left them among the poorest people on Earth.

As the modern world encroaches on even the most isolated indigenous groups, the Bank is working with governments and other institutions to avoid and, if necessary, to mitigate the adverse effects. As far back as 1982, the Bank was the first multilateral agency to issue a special policy for the treatment of indigenous people in internationally funded development projects. Safeguards in the original

See *INDIGENOUS*, page 2

A leader of Korea's economic transformation shares his professional memories in a new Bank publication.

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The latest in series of essays on development takes a look at Indonesia's ambitious program to fight female illiteracy.

4

The Uruguay Round of GATT will be the subject of a two-day Bank conference later this month. A press advisory.

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Protecting fragile cultures.

Bank Plans To Work More Closely With Indigenous People

INDIGENOUS, from page 1

policy included recognizing, demarcating and protecting indigenous lands and providing culturally appropriate social services, such as health and bilingual education. In 1991, the policy was strengthened by encompassing more indigenous groups and promoting their active involvement in project planning and implementation. And today, as the Bank extends more of its work with native populations from Latin America to Asia and Africa, new standards are planned that will make it easier to address specific needs of specific groups, each of which has a distinct identity, history and language.

In Mexico, for example, more than 12 million people speak one of the 56 indigenous languages in the country; in Africa, more than 1,600 native tongues are spoken across the continent; indigenous groups range from Brazilian Indians to migratory reindeer herders in Siberia.

"I think we're going to move more toward funding stand-alone projects prepared in partnership with specific indigenous communities," says Davis. "You've really got to plan differently from the beginning for each group."

Promisingly, indigenous people themselves are more involved than ever in planning and managing development in their homelands. In Latin America, for example, the past two decades have witnessed a cultural renaissance among native people and the growth of a vast network of grass roots Indian organizations. A key, and growing, part of the Bank's strategy toward indigenous issues is to involve native people in the projects, primarily by working with the indigenous organizations.

**How do we include people
who have been excluded
from development, but in a
way that takes into account
their own cultural values
and traditions?**

— Shelton Davis

Already, several projects are in place or under preparation that involve the active participation of indigenous people. They include:

- A rubber plantation project in India

with a component that will help 3,000 tribal people improve their economic status by planting rubber trees in currently unproductive land.

- A rural development project in four of Mexico's poorest states that contains a program of credit funds for small-scale projects managed by indigenous people and covering hundred of indigenous communities.

- Natural resources management and forestry programs in Colombia, Egypt, India, Laos and Mali.

- A rainforest conservation project in Brazil that sets aside and demarcates land for tribal people.

- Bilingual education programs in Mexico, Guatemala and Viet Nam.

The Bank is also preparing to boost its assistance to private companies whose activities increasingly must meet the needs of indigenous people. This special decade opens at a time of increased commercial activity in areas populated by native groups, including major forestry and petroleum activity in parts of Asia, the Andean region and the Amazon Basin.

"I think we'll be called on increasingly to work with the private sector in order to ensure that it deals with cultural and ethnic diversity and takes into account indigenous peoples' rights," Davis says. □

Latin America's Native People: Down But Not Out

It's long been assumed that Latin America's estimated 34 million indigenous people are among the region's poorest. But until recently, little was actually known about their socioeconomic condition because of a lack of reliable research. Now a World Bank team has produced the first comprehensive empirical analysis of Latin America's native population in the report, *Indigenous People and Poverty in Latin America*.

The report confirms the disadvantaged status of Indians in the Americas, but it also offers hope for improving their lives.

"As we suspected, the poorest of the poor are the indigenous people," says Harry Patrinos, an economist in the Bank's Education and Social Policy Department and co-editor of the report. "But we show pretty conclusively that equalizing the education available for indigenous people can go a long way toward closing the poverty gap."

The report—based on original household surveys in Bolivia, Guatemala, Mexico and Peru—found

that in Guatemala, for example, indigenous male workers average only 1.8 years of schooling. While two thirds of all

"The results show that policymakers can help indigenous people improve their situation by strengthening human capital," the report says. "Policies to reduce the educational gaps between indigenous and non-indigenous persons could make a very large dent in earnings differentials and lead to a considerable decline in poverty among indigenous groups."

Journalists may receive complimentary copies for review by writing on company letterhead to the World Bank, Office of the Publisher, Marketing Unit, Room T-8054, Washington, D.C. 20433, fax (202) 676-0579.

Note to journalists: The Bank, along with the *Inter-American Dialogue*, will hold a press seminar on *Indigenous People and Poverty in Latin America* and other publications on Tuesday, January 31, at the World Bank Bookstore, Pennsylvania Ave. and 18th Street, N.W., Washington D.C. For more information call Harry Patrinos at (202) 473-5510.

WORLD BANK REGIONAL AND SECTORAL STUDIES

Indigenous People and Poverty in Latin America

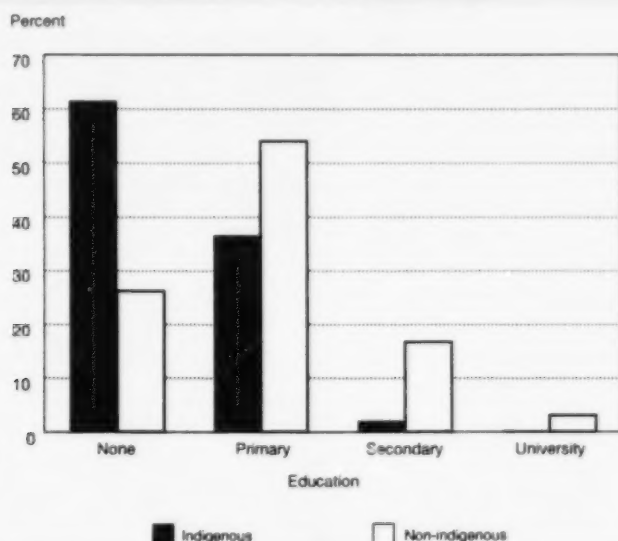
An Empirical Analysis



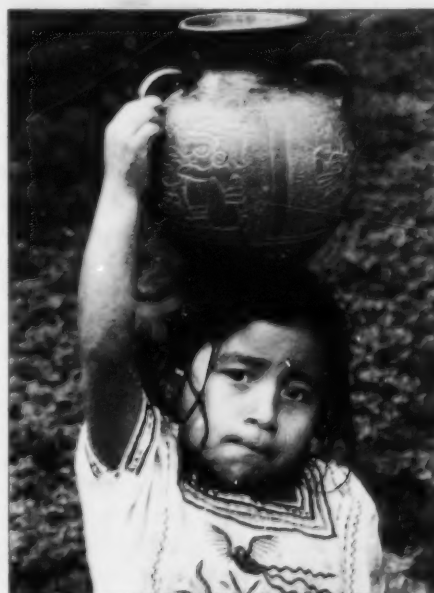
EDITED BY
GEORGE FLORES-ARCE
HARRY PATRINOS

Guatemalans are poor, almost 90 percent of the indigenous population lives in poverty.

Educational Distribution by Ethnicity



Source: ENSD 1989.



Bearing the burden of poverty.

C. Carmona/World Bank

An Inside Look at Korea's Economic Miracle

Korean economist Chung-yum Kim began work in the Bank of Chosun in the waning years of World War II. The young clerk quickly emerged as an able scholar and policymaker, and his career flowered in parallel with Korea's remarkable economic progress in the post-war decades. By the time he retired as Korea's ambassador to Japan in 1980, Kim had played many decisive roles in Korea's economic rebirth and eventual rapid growth, including stints as the country's minister of finance, minister of commerce and industry and chief of staff to President Park Chung-Hee.

Now Kim's professional memoirs—a chronicle of one of the century's great economic success stories—have been published in English by the World Bank's Economic Development Institute (EDI). His recollections in *Policymaking on the Front Lines: Memoirs of a Korean Practitioner, 1945-79* afford readers an inside view of the decisions and strategies that made up Korea's economic metamorphosis. Kim details events throughout the dynamic period, including Korea's first and second currency reforms, the export first and industrial policies of the 1960s, the 1972 freeze on informal money markets and the build-up of the chemical and defense industries.

The memoirs, which appeared first as a series of articles in the *Chungang Economic Daily* and then as an award-winning book in Korea, launches a new EDI publication series, *Retrospectives in Policymaking*. The series—targeted to officials in developing and transition countries but of interest to economists and scholars—will present first-hand experiences with economic, financial and sectoral policymaking from the perspective of the practitioners themselves. Since 1955, the EDI has offered training, workshops and materials to public officials from the developing world.

Journalists may obtain a complimentary copy of *Policymaking on the Front Lines* for review purposes by writing or faxing on

company letterhead to the World Bank, Marketing Unit, Room T-8054, Washington, D.C. 20433, fax (202) 676-0579. □

Giving Girls a Chance: An Essay on the Fight for Female Literacy

The World Bank's experience has taught that educating females is probably the single most useful act a developing nation can do in its fight against poverty. But millions of women never go beyond the first stages of education, and remain illiterate—they had to drop out of school to look after their brothers and sisters, or the schools were too far away from their homes, or girls' education was seen as of little importance.

Some countries, however, are fighting to educate their girls, and succeeding. A new Bank publication looks in detail at one such effort, Indonesia's ongoing campaign to reduce female illiteracy. In a *Class of Their Own* is the fourth in a new series of booklets from the World Bank called *Development Essays*, first-hand examinations of how people are trying to improve their lives that are written for the general public rather than for experts.

Indonesia has grappled probably better than any other country with a high illiteracy rate. Over 90 percent of the population were estimated to be illiterate at the time of independence in the late 1940s—that figure has now been reduced to about 20 percent. It has succeeded because of dedicated volunteer teachers, imaginative methods, political commitment and international support.

"Any war against mass illiteracy seems at times endless, and some begin to doubt whether it can ever really be won," says the essay. "But in Indonesia, at least the structure to fight the campaign is in place, and so are many dedicated teachers and

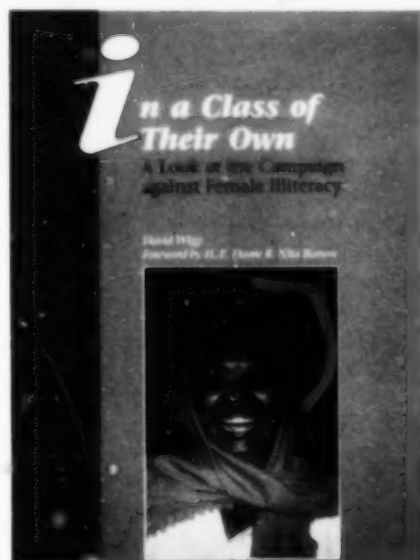
administrators. The political commitment is certainly there, and so is the international support. It's now a question of holding on and never letting go."

The Bank's independent assessor, Operations and Evaluation Department, called Indonesia's effort "one of the most significant educational transformations seen in the developing world in recent times."

David Wigg, writer of this booklet, traveled to four of the country's islands—Java, Bali, Lombok and Sumbawa—to talk to some of the women, teachers and administrators.

The foreword to the essay is written by Her Excellency Dame R Nita Barrow, the

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DEVELOPMENT AGENDA

Date	Event	Sponsor	Location	Telephone
JANUARY				
16-18	International Development Conference	International Development Conference/Society for International Development	Washington	(703)642-3628*
16-20	Colloquium: The African University in the 1990s and Beyond	Association of African Universities/Donors to African Education	Lesotho	(33-1)4503-3796
18-19	World-wide Infrastructure Partnerships: Summit Conference on International Project Finance and Development	Forbes Magazine	New York	1-800-243-3238*
26-27	Conference: The Uruguay Round and the Developing Economies	World Bank	Washington	(202)473-1784*
30-31	Haiti Donors' Meeting	World Bank	Paris	(33-1)580-3016
FEBRUARY				
9-10	IDA-11 Meeting	World Bank	Paris	(33-1)580-3016
10-11	Workshop: The Role of East Asian Governments in Economic Development: A Comparative Institutional Analysis	World Bank	Stanford, CA	(202) 473-6444*
10-12	Seminar: Local Heritage in the Changing Tropics: Innovative Strategies for Natural Resource Management and Control	World Bank	Hartford, CT	(202)458-2310*
27-28	Tanzania Consultative Group Meeting	World Bank	Paris	(33-1)580-3016
MARCH				
22-24	Second Annual Congress of the Americas	World Congress, Inc.	Mexico City	1-800-767-9499*

Editor's Note: *Development Agenda* is a feature that alerts journalists to key news events in the field of economic development. Journalists should contact sponsoring agencies for details about each event. Asterisk (*) indicates telephone number is in the U.S.A. All other telephone numbers include country and city codes.

Fighting Poverty by Fighting Illiteracy

LITERACY, from page 4

Governor-General of Barbados, who is well known as a campaigner against illiteracy. She writes: "My own grandmother was one of those told that educating her two daughters to the same level as her four sons was a waste ... she replied that schooling her girls was important."

The first three essays published in the series were: *And Then Forgot To Tell Us Why*, on how international medical teams are fighting a pernicious disease called river blindness in West Africa, and has a foreword by President Jimmy Carter; *The Quiet Revolutionaries*, which shows how agricultural scientists work to fight hunger, and has a foreword by W. David Hopper; and *Of Mosaics and Mosques*, which looks at the campaign to save the world's cultural heritage, and has a foreword by His Highness The Aga Khan. □



World Bank

The virtuous circle of female literacy.

WORLD BANK NEWS

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Conference to Assess GATT

"The Uruguay Round and the Developing Economies" is the subject of a two-day conference at World Bank headquarters January 26-27, beginning at 9:00 a.m. each day, in the basement assembly room of the "J" Building (701 18th St. NW). The conference will feature presentations by a team of international experts. Among the topics to be discussed are:

- Agricultural liberalization and reforms;
- Trade in Manufactures and liberalization of the Multifibre Arrangement;
- Safeguard provisions in GATT;
- Assessment of the Uruguay Round on services and service sector liberalization;

- Intellectual property;
- The entwining of trade policy with environmental and labor standards.

The conference is the first major one based on detailed study of the actual Uruguay Round Agreements; the studies to be presented are likely to change our assessments of many of the implications of the agreement.

Journalists are welcome to attend all sessions and to interview any of the participants. For a complete schedule of the conference, please call Bill Brannigan at (202) 473-1784.

Additionally, the World Bank's Chief Economist, Michael Bruno, will hold a press conference on the subject at 10:45 a.m. Thursday, January 26, in the street-level auditorium in the same building.

LAO PDR

Access to basic health care—including family planning, immunization and disease control—is poor in the Lao Peoples' Democratic Republic. Malaria is a particular problem. It's endemic throughout the country and causes a quarter of all deaths. A new International Development Association credit of \$19.2 million will help provide a broad range of improvements to Lao's overall health system, including training, equipment and maternal and child health programs. Several components target malaria control and treatment, and a pilot program aims to provide basic health services to isolated minority groups.

MAU

Mali has embarked on a range of economic reforms in recent years. A new IDA adjustment credit of \$50 million will provide balance-of-payment support for Mali's education sector reforms. Reform goals include faster development of primary education, better quality at all levels and adjusting post-secondary schooling to better fit labor needs.

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